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PRESS RELEASE

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DA McMahon Arrests and Charges Five Individuals for Participating in Million-Dollar Gift Card Fraud Scheme

Scheme involved using information previously stolen from American Express account holders to purchase Apple gift cards and products from Apple Store in Staten Island Mall; Search warrant execution recovered more than \$787,000 in un-used Apple gift cards, dozens of Apple products, and \$118,000 in United States Currency

Staten Island, N.Y. — Richmond County District Attorney Michael E. McMahon today announced the arrest and arraignment of five defendants for allegedly participating in a million-dollar gift card fraud scheme on Staten Island.

District Attorney Michael E. McMahon said, “This long-term investigation, led by our Economic Crimes Bureau and Detective Investigators, put an end to a million-dollar gift card scheme that was being carried out on Staten Island. As a result, five individuals have now been arrested and charged with various felonies, and we will work tirelessly to hold these defendants fully accountable. My office will always remain vigilant against scams and other schemes and we encourage anyone who thinks they have been a victim of a scam to contact my office.”

Defendants Enping Chen, 36, Liming Chen, 35, Liyu Chen, 36, Ruchao Chen, 39, and Xiulan Jiang, 37, all from Staten Island, were charged in a criminal complaint with Grand Larceny in the Second Degree and Criminal Possession of Stolen Property in the Second Degree. The defendants were arraigned today in Staten Island Criminal Court and released on their own recognizance.

From July 2021 to September 2021, the defendants allegedly engaged in a million-dollar scheme which included illegally obtaining gift cards by using information previously stolen from American Express account holders. To “wash” the stolen gift cards, the defendants allegedly used the illegally obtained cards to purchase legitimate Apple

gift cards. The defendants would then use the Apple gift cards to purchase Apple products from the Apple Store in the Staten Island Mall.

Throughout this long-term investigation, the District Attorney Investigators observed all the co-defendants via surveillance at the Apple Store in the Staten Island Mall. A search warrant was executed Tuesday at three addresses on Staten Island associated with the defendants, with investigators recovering \$118,000 in United States Currency, more than \$787,000 in un-used Apple gift cards, as well as an additional 180 assorted gift cards, and 65 new unopened Apple products.

The District Attorney thanked Apple and American Express for their cooperation.

The case is being prosecuted by Assistant District Attorney Daniel Stern under the supervision of Jeffrey Curiale, Chief of RCDA's Economic Crimes Bureau. The case was investigated by RCDA's Detective Investigators under the supervision of Dave Nilsen, Chief Detective Investigator.

Scams can be reported directly to RCDA by calling the RCDA Scams Hotline at (718) 556-7226 (SCAM) or contacting the office at: reportscams@rcda.nyc.gov

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The charges contained in the criminal complaint are merely allegations and the defendants are presumed innocent unless and until proven guilty.

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